

HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Executive Member for Hampshire 2050 and Corporate Services
Date:	6 March 2025
Title:	2025/26 Bus Grant (BSIP) Funding
Report From:	Director of Hampshire 2050

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1. The decision:

- 1.1. That the Executive Member for Hampshire 2050 and Corporate Services delegates authority to the Director of Hampshire 2050 to enter into the necessary contractual arrangements, in consultation with the Head of Legal Services, for receipt of the County Council's allocation of £13,049,411 of 2025/26 Bus Grant Bus Service Improvement Plan (BSIP) Bus Grant funding from the Department for Transport (DfT).
- 1.2. That the Executive Member for Hampshire 2050 and Corporate Services delegates authority to the Director of Hampshire 2050 to allocate the funding to measures that will support and improve local bus services and associated infrastructure, consistent with the objectives set out in Hampshire's BSIP.
- 1.3. That the Executive Member for Hampshire 2050 and Corporate Services delegates authority to the Director of Hampshire 2050 to spend and enter into contractual arrangements (in consultation with the Director of Universal Services and the Head of Legal Services) with local bus operators in Hampshire and existing suppliers in accordance with the principle set out in paragraph 1.2 above, up to the value of the BSIP grant awarded to the County Council by the Department for Transport (DfT) in conjunction with existing Passenger Transport budgets.
- 1.4. That the Executive Member for Hampshire 2050 and Corporate Services delegates authority to the Director of Hampshire 2050, in consultation with the Director of Universal Services and the Head of Legal Services, to determine the principles for the award of the funding which will be allocated to support the objectives of the Hampshire BSIP.
- 1.5. That the Executive Member for Hampshire 2050 and Corporate Services notes the Department for Transport (DfT)'s conditions and expectations that are attached to the County Council's allocation of 2025/26 Bus Grant funding and agrees they are acceptable.

2. Reasons for the decision:

- 2.1. The County Council has been allocated £13,049,411 of 2025/26 Bus Grant funding by DfT. This funding is in the form of a capital grant to deliver measures that will help to deliver bus priority measures, provide better bus infrastructure, and a revenue grant which can be used to maintain the existing commercial bus network, improve bus services and develop new bus priority schemes for delivery in future financial years as described in Hampshire's BSIP.
- 2.2. Although the BSIP grant is un-ringfenced and the Memorandum of Understanding expressly states it is not legally binding, the DfT has clearly stated an expectation that the funding will be used for the purposes of improving bus services and infrastructure in accordance with the BSIP, with quarterly monitoring returns to be submitted. The DfT has also made it clear that should the grant not be used in furtherance of the BSIP, it could ask for the grant to be repaid or could reduce/suspend/or withhold future grants. In view of both these clear expectations from the DfT and the positive benefits of the BSIP, it is proposed that the funding be applied to support the delivery of Hampshire's BSIP.
- 2.3. Such improvements will safeguard existing routes for the duration of the funding period and where there is a commercial business case, provide better bus services for Hampshire's residents and visitors, encourage more people to travel by public transport and therefore contribute to Hampshire County Council's strategic objectives around economic growth, accessibility, climate change and air quality. Better bus services will help people to live safe, healthy, independent lives.
- 2.4. The Memorandum of Understanding states that the County Council "must maintain a commitment in its Enhanced Partnership (EP) to overall funding that the Authority will provide for buses, from all sources, in each financial year of this funding", and therefore the funding should be used for additional spending on bus services and cannot be used to realise one-off savings by simply replacing existing County Council spend. It could also not therefore be used to reinstate the service reductions made as part of the Universal Services' SP25 Passenger Transport saving agreed by Cabinet in October 2024.

3. Other options considered and rejected:

- 3.1. The DfT expects the County Council to use the 2025/26 Bus Grant funding provided for the purposes of improving bus services and for the delivery of bus improvement measures contained within Hampshire's BSIP. If the County Council were to use the grant for other purposes, this would be outside the DfT's expectation that this funding is solely used for the purposes of improving bus services. The DfT does not expect the County Council to fund from this allocation any schemes where it is not clear that the majority of benefits accrue to buses and/or bus passengers. Given these clear expectations, spending the funding on other projects unrelated to the BSIP has been rejected.
- 3.2. The County Council could choose to decline this funding. This option has been rejected as it would not be compliant with policy agreed in the County Council's Local Transport Plan 4 as adopted in February 2024.

4. Conflicts of interest:

4.1. Conflicts of interest declared by the decision-maker: None.

4.2. Conflicts of interest declared by other Executive Members consulted: None.

5. Dispensation granted by the Conduct Advisory Panel: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

Approved by:

Date:

6 March 2025

**Executive Member for Hampshire 2050 and
Corporate Services
Councillor Nick Adams-King**